



# Modern Slavery Statement 2021





# MAKING A DIFFERENCE

IGO Limited (IGO) is an ASX 100 listed company focused on creating a better planet for future generations by discovering, developing, and delivering products critical to clean energy.

## WHO WE ARE

As a purpose-led organisation with strong, embedded values and a culture of caring for our people and our stakeholders, we believe we are Making a Difference by safely, sustainably, and ethically delivering the products our customers need to advance the global transition to decarbonisation.

Through our upstream mining and downstream processing assets, IGO is enabling future-facing technologies including the electrification of transport, energy storage and renewable energy generation.

IGO owns and operates 100% of the Nova nickel-copper-cobalt operation in Western Australia. In June 2021, IGO Limited acquired a 49% interest in lithium businesses from Tianqi Lithium Corporation (51%) and thereby formed a new incorporated Joint Venture (JV), with a focus on developing and operating world class lithium assets. The Lithium JV is currently focused on its lithium assets in Western Australia which comprise of a 51% stake in the Greenbushes Lithium Mine (49% owned by Albermarle Corporation) and 100% ownership of the Kwinana Lithium Hydroxide Refinery.

IGO is also focused on discovering the mines of the future and has an enduring commitment to investing in exploration to ensure the world has a sustainable supply of clean energy metals into the future.

We value feedback from our stakeholders. Please forward any comments on this statement or requests for additional information to [contact@igo.com.au](mailto:contact@igo.com.au).

## ACKNOWLEDGEMENTS

We acknowledge the Traditional Owners of the land on which we operate and on which we work. We recognise their connection to land, waters, and culture, and pay our respects to their Elders past, present and emerging.



<b>1</b>	<b>EXECUTIVE SUMMARY</b>	<b>02</b>
1.1	FY21 Overview	03
1.2	FY21 Achievements Summary	03
<b>2</b>	<b>OUR PURPOSE, VALUES, AND STRATEGY</b>	<b>04</b>
2.1	Our Purpose	05
2.2	Our Values	05
2.3	Our Strategy	06
<b>3</b>	<b>COMPANY STRUCTURE</b>	<b>07</b>
3.1	Operations	08
3.2	Employees	09
3.3	Supply Chain	10
3.4	Modern Slavery Governance	11
<b>4</b>	<b>OUR APPROACH</b>	<b>12</b>
4.1	Operational Risks	13
4.2	Supply Chain Risks	14
4.3	Corporate Governance	17
4.4	Contracting Arrangements	17
4.5	Performance Monitoring	18
4.6	Training	19
<b>5</b>	<b>EVALUATING THE EFFECTIVENESS OF OUR ACTIONS</b>	<b>20</b>
<b>6</b>	<b>LOOK BEYOND</b>	<b>20</b>
<b>7</b>	<b>CONSULTATION PROCESS</b>	<b>21</b>
<b>8</b>	<b>APPROVAL</b>	<b>21</b>

## Section 1

# Executive Summary

An estimated 40 million people around the world are victims of modern slavery.<sup>1</sup> Traditional slavery involved an obvious form of human exploitation that was clearly identifiable. While recognition of basic human rights has substantially increased across the globe, vulnerable people continue to be exploited through various forms of modern slavery. Some of these forms include debt bondage, servitude, human trafficking, child labour, and forced labour. The abuse of human rights through modern slavery practices occurs in both developed and developing countries, feeding products that are tainted by human exploitation into global supply chains.

IGO is committed to ending modern slavery through the adoption of responsible due diligence and sourcing processes. IGO upholds fundamental human rights and respects cultures, customs, and values in all dealings with people, places, and companies involved in our activities. This is IGO's second statement, published in accordance with the Australian Modern Slavery Act 2018 (Cth) (Act) for the financial year ending 30 June 2021 (FY21). The statement details the steps IGO has taken to assess modern slavery risks within our operations and supply chains, the actions we have taken to address those risks, and how we evaluate the effectiveness of our actions.

The statement is a consolidated joint statement that covers the activities of IGO and all entities within the IGO Group (refer to Section 7 for more information).

The modern slavery risks and actions taken associated with projects, joint ventures, or companies which we do not operate (including IGO's recent Lithium JV) are not included in this statement.



## TARGET

# 8.7

Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.

**IGO proudly supports the UN Sustainable Development Goals. Our work to address modern slavery risks in our operations and supply chains is helping to end modern slavery.**

## MANDATORY CRITERIA

LEGISLATIVE REQUIREMENT	SECTION	PAGE
Identify the reporting entity.	1	2
Describe the reporting entity's structure, operations, and supply chains.	3	7
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	4	12
Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	4	12
Describe how the reporting entity assesses the effectiveness of these actions.	5	20
Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).	7	21
<b>Additional Information</b>		
A summary of our achievements in FY21.	1.2	3
Our commitments for FY22.	6	20

<sup>1</sup> Department of Home Affairs, Commonwealth Modern Slavery Act 2018: Guidance for Reporting Entities, page 9.



## 1.1 FY21 Overview

In FY21, IGO's focus has been to:

- Continue to develop and mature our approach to modern slavery and our operational and supply chain risk factors;
- Develop our approach to the assessment of the risks in our operations and supply chain; and
- Adopt a continuous review and improvement approach to our governance framework to manage our modern slavery risks.

## 1.2 FY21 Achievements Summary

- 
- ✓ Completed supplier risk review and targeted assessments
- 
- ✓ Reviewed and revised our contracts to reflect our modern slavery commitments and obligations
- 
- ✓ Prepared a comprehensive modern slavery training module
- 
- ✓ Developed key resource capability to better understand and manage modern slavery risks
- 
- 🔄 Maturing our corporate governance of modern slavery risks, including specific modern slavery governance documents
- 
- 🔄 Developing our risk assessment and performance metrics
-

# We believe in a world where people power makes amazing things happen.

2.1 Our Purpose

---

2.2 Our Values

---

2.3 Our Strategy

---



## 2.1 Our Purpose

We believe in a world where people power makes amazing things happen. Where technology opens up new horizons and clean energy makes the planet a better place for generations to come.

Our people are bold, passionate, fearless and fun – we are a smarter, kinder and more innovative company.

Our work is making fundamental changes to the way communities all over the world grow, prosper, and stay sustainable. Our teams are finding and producing the specialist metals that will make energy storage mobile, efficient and effective enough to make long-term improvements to the lifestyle of hundreds of millions of people across the globe.

How? New battery storage technology is finally unleashing the full potential of renewable energy by allowing power produced from the sun, wind, and other sources to be stored and used when and where it's needed. This technology will impact future generations in ways we cannot yet imagine, improving people's quality of life and changing the way we live.

We believe in a green energy future and by delivering the metals needed for new age batteries, we are making it happen.

**We are the IGO Difference.**

## 2.2 Our Values

Organisational values are important – they shape the behaviours of our people and embody our organisation's unique culture.

Our values are the threads that unite and guide us, ensuring we empower and support each other and remind us to still find the fun in what we do. Driven by our values to See Beyond and Be Better Together, we know our actions of today impact the world and people of tomorrow.





## 2.3 Our Strategy

Our winning aspiration is to be a globally relevant supplier of products that are critical to clean energy, to create a better planet.



### Diverse Suite of Products

Made safely, ethically, sustainably and reliably



### Customer Focused

Connecting with end users through vertical integration



### Carbon Neutral

Committing to carbon neutrality across our business



### People

People who are bold, passionate, fearless and fun – a smarter, kinder, more innovative team



## Section 3

# Company Structure

3.1 Operations

---

3.2 Employees

---

3.3 Supply Chain

---

3.4 Modern Slavery Governance

---



### 3.0 Company Structure

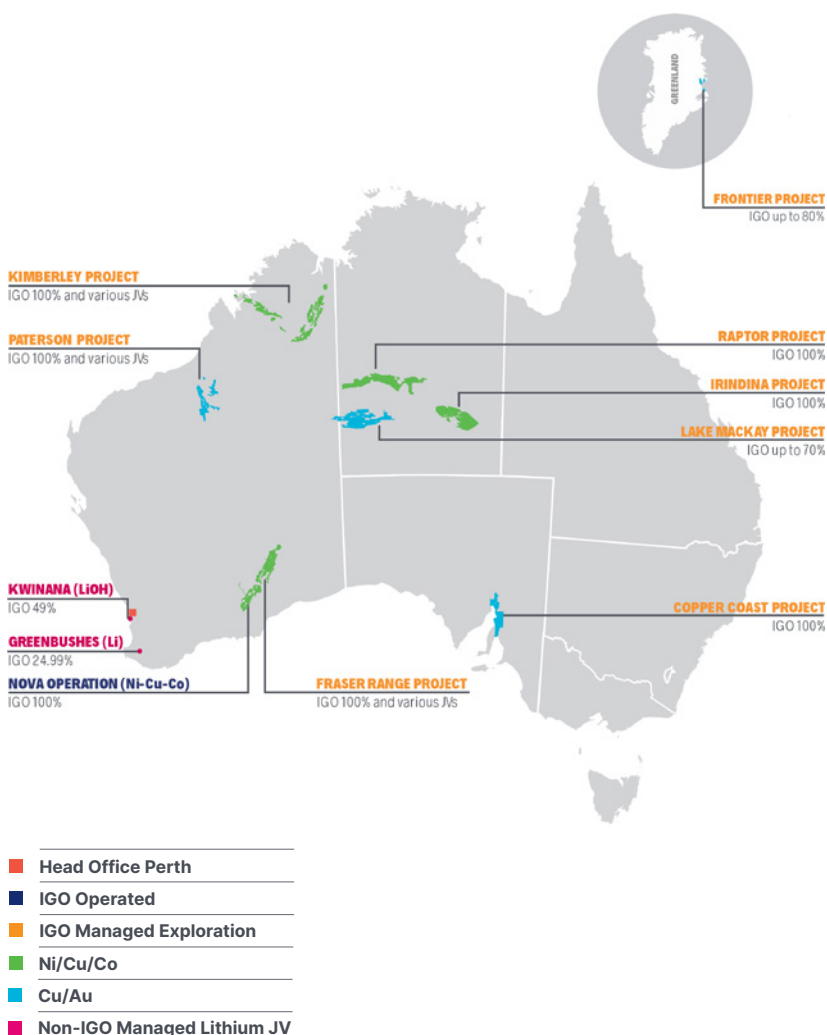
IGO is an ASX 100 listed company headquartered in South Perth, Western Australia, with projects across Australia and overseas. IGO is the parent company for nine Australian-based entities (refer to section 7 for more details). IGO Newsearch Pty Ltd manages the majority of IGO's exploration activities and IGO Nova Pty Ltd operates the Nova Operation.

### 3.1 Operations

IGO owns and operates 100% of the Nova nickel-copper-cobalt (Ni-Cu-Co) operation which reached commercial production in July 2017. The Nova Operation is in the Fraser Range in Western Australia.

IGO is also focused on discovering the mines of the future through its regional exploration projects and has an enduring commitment to invest in exploration to ensure the world has a sustainable supply of clean energy metals into the future.

IGO transacted the Lithium JV on 30 June, during FY21.



### NOVA OPERATION

The Nova Operation is a high-grade nickel-copper-cobalt mine located in the Fraser Range, approximately 140km east-northeast of Norseman. The Operation sits within the Great Western Woodlands.

The Ngadju people are the Traditional Owners and custodians of this area, with their native title claim being recognised by the Federal Court on 21 November 2014.

The Nova deposit was discovered in 2012 and the Operation reached nameplate ore production capacity in 2017.

Mining is conducted using underground stoping methods and processing comprises conventional crushing, grinding, flotation and filtration processes to produce high quality nickel and copper concentrates.

Nickel, copper, and cobalt are key components in lithium-ion batteries that power electric vehicles.

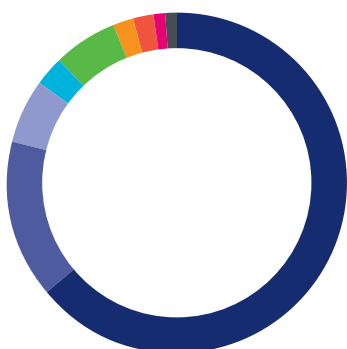
### 3.2 Employees

Our corporate employees are based at our head office in South Perth. We have an expanding team working on our regional exploration projects primarily in Western Australia and the Northern Territory with a developing prospect in South Australia. We are also exploring our first overseas prospect, in Greenland.

Employees at IGO's Nova Operation include our Nova operational employees, our Exploration employees working at or near the Nova site, and our Contractors.

#### CONTRACTED PERSONNEL

The Contractor personnel at the Nova site at any one time include a large proportion of personnel from our mining contractor, our catering contractor, and maintenance personnel. The chart below shows an indicative proportion of personnel from our various site contractors.



#### CONTRACTOR PERSONNEL ON SITE

	%
Mining	64
Camp Catering	15
Maintenance	6
Bulk Haulage	3
Earthworks	6
Laboratory	2
Shutdown Manning	2
Processing	1
Miscellaneous	1

#### DIRECT EMPLOYEES IN FY21

# 398

Our workforce is based at our Perth office, our regional exploration areas, or at the Nova Operation, which predominantly operates as a fly-in fly-out site.

#### CONTRACTED PERSONNEL IN FY21

# 224

Average number of contracted personnel at Nova site as at June 2021.



### 3.3 Supply Chain

Our supply chain partners are crucial to IGO's success. In accordance with our Code of Conduct, we seek to engage like-minded suppliers and business partners who are committed to operating in a safe, lawful, and competitive manner. IGO sources substantial goods and services to support the mining lifecycle throughout exploration, mining, production, processing, and shipping.

**Tier 1 Suppliers** are suppliers that IGO directly engages to provide goods and services to support our operations. **Tier 2 Suppliers** are suppliers that are engaged by IGO's Tier 1 Suppliers to provide goods and services in support of IGO's operations.

In FY21, IGO's Tier 1 Supplier spend was \$256.1m. We worked with over 1,000 Tier 1 Suppliers who are all located in Australia. Our shipping partners are headquartered internationally and our exploration partner in Greenland engages local suppliers on behalf of the partnership.

Our supply chain contains many types of goods and services in support of our exploration and mining operations. Our higher spend suppliers and categories included the following categories.

CATEGORY	TOTAL SPEND	NO. OF SUPPLIERS <sup>1</sup>
Mining	\$70M AUD	1
Fuel and Power Supply	\$31M AUD	3
Processing Services and Reagents	\$22M AUD	11
Haulage and Transport	\$20M AUD	4
Maintenance Services Contracting	\$18M AUD	19
Civil Works and Site Ancillary	\$15M AUD	11
Professional Services and Miscellaneous Vendors	\$15M AUD	16
Drilling Services	\$12M AUD	5
Camp Services and Labour Hire	\$11M AUD	7
Shipping	\$7M AUD	7
Geological Services	\$6M AUD	6
Information Technology and Software	\$3M AUD	6
Consumables	\$1.5M AUD	3

<sup>1</sup> This table includes only suppliers with spend >\$100k during the reporting period.



**FY21 SUPPLIER SPEND RELATIVE TO OUR OPERATIONS (PERCENTAGE)**

	%
Local	6.5
Western Australia	74.8
Australia	16.4
International	2.3

The distribution of the overall spend is represented in the graphic FY21 Supplier Spend Relative to our Operations.

A more detailed breakdown of the proportionate spend of local, Western Australian, Australian, and International suppliers for the Nova, Corporate, and Exploration teams is set out in the table below.

#### FY21 DISTRIBUTION OF PAYMENTS TO SUPPLIERS (A\$ MILLION)

Highlights	Local	Western Australia	Australia wide	Inter-national	Total
Suppliers of goods and service – Nova Operation	6.6	162.6	27.0	5.8	<b>202.1</b>
Suppliers of goods and service – Exploration projects	7.1	17.2	0.1	0.2	<b>24.6</b>
Suppliers of goods and service – Corporate	2.9	11.8	14.7	-	<b>29.3</b>
<b>Total</b>	<b>16.6</b>	<b>191.6</b>	<b>41.9</b>	<b>6.0</b>	<b>256.1</b>

**IGO values our relationships with local suppliers – from the suppliers local to our operations to our Western Australian and Australian suppliers.**

### 3.4 Modern Slavery Governance

#### 3.4.1 HUMAN RIGHTS POLICY

IGO's policies establish the overarching framework, approach, and specific aims for how our business operates. Our Human Rights Policy addresses six key aims for our management of human rights, encompassing our modern slavery obligations:

- Undertake assessments to identify modern slavery risks in our business and take appropriate action to combat these risks.

---

- Refuse to tolerate any form of forced labour or servitude in our operations.

---

- Prohibit all forms of bribery and corruption and offer strong protection to individuals who report any breaches.

---

- Champion and promote a diverse workplace culture.

---

- Recognise and respect Aboriginal cultural heritage and collaboratively work with Aboriginal communities affected by our operations.

---

- Maintain a strategic focus on continuous learning and development to ensure our business practices are aligned with our obligations and values.

#### 3.4.2 CODE OF CONDUCT

IGO actively promotes ethical and responsible decision-making, which is reflected in our Code of Conduct. Our Code of Conduct provides guidance on how our values should be put into practice and models the standard of behaviour we expect from our people. The Code applies equally to our Board, our employees, our suppliers, and our contractors.

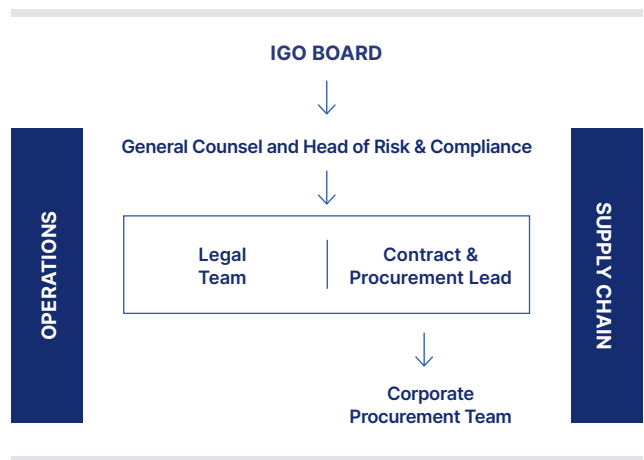
We expect our people to be alert to and report any concerns about people or the workplace, including any potential instances of modern slavery. We are committed to providing a work environment that protects whistleblowers who, in good faith, report unacceptable conduct. IGO employees, suppliers, and contractors can raise issues directly with their IGO manager or relevant contact. In accordance with IGO's Whistleblower Standard, IGO also offers a dedicated, external IGO whistleblower service - that is capable of responding to concerns about modern slavery practices in our operations or supply chains.

IGO's Code of Conduct is regularly reviewed to ensure it is in line with our strategy and clearly reflects our values and community expectations. It was last reviewed during the FY21 year. More information about our Code of Conduct is provided in section 4.3.1.

#### 3.4.3 GOVERNANCE STRUCTURE

IGO is committed to implementing and maintaining the highest standards of corporate governance. We believe that excellence in corporate governance is essential for the long-term sustainability of the business and building long-term value for all our stakeholders in a socially responsible manner.

While the Board is responsible for IGO's corporate governance, we do not see governance as just a matter for the Board. We believe good governance is about doing the right thing and having the courage to stand up for what is right. It is the responsibility of all those who work at IGO to act ethically, with integrity, and within the law, and this ethos is embedded throughout our organisation.



#### IGO's Modern Slavery Governance

The Board has ultimate responsibility for IGO's modern slavery governance and risk management. The Audit & Risk Committee maintains overarching responsibility for IGO's legal and regulatory compliance. IGO's Board delegates responsibility for compliance with the Act and execution and implementation of IGO's modern slavery obligations to the General Counsel and Head of Risk and Compliance (General Counsel).

IGO's General Counsel and Legal team maintain responsibility for due diligence relating to our broader operational risks. The General Counsel assigns responsibility for modern slavery due diligence relating to IGO's supply chain to senior management in the Corporate Procurement team. The Contract & Procurement Lead works together with the Corporate Procurement team, including an integrated resource dedicated to modern slavery, to conduct supply chain risk assessments and governance activities.

IGO's Legal and Corporate Procurement teams work together to identify and address modern slavery risks throughout our business. We have undertaken substantial work in FY21 to build the broader corporate governance frameworks necessary to support our management of modern slavery risks. Further information is available in section 4.3.

For more detail about our wider governance and management standards, refer to our website and our 2021 Corporate Governance Statement.

## Section 4

# Our Approach

4.1 Operational Risks

---

4.2 Supply Chain Risks

---

4.3 Corporate Governance

---

4.4 Contracting Arrangements

---

4.5 Performance Monitoring

---

4.6 Training

---



Modern slavery is pervasive, often hidden in the complex supply chains and relationships that are required to support the operations of a business. In our first year of reporting, we engaged an independent advisory firm to undertake several risk reviews of our operations and supply chain. In this second year of reporting, we utilised the information gathered during the risk reviews to develop a comprehensive action plan to address our modern slavery risks. We continued to expand our understanding of our modern slavery risks, began to construct formal governance processes to address and manage these risks, and focused on applying our knowledge about our highest areas of risk of modern slavery in our operations and supply chain.

## 4.1 Operational Risks

The independent advisory firm that we engaged in FY20 identified the key operational risks in the extractives industry set out in Table 1. These operational risks continue to inform our overall approach to combatting modern slavery.

**Table 1: Key Operational Risks in the Extractives Industry**

RISK	DESCRIPTION
<b>Contracted and sub-contracted labour</b>	Decreased visibility / oversight of contracted and sub-contracted labour increases the risk of modern slavery, particularly in the form of forced labour.
<b>Demand volatility</b>	Resource demand volatility causes fluctuations in demand – affecting production, work force size, and working hours, as well as creating labour hire cost pressures.
<b>Business practices</b>	Aggressive price negotiation, inaccurate forecasting, late orders, short time leads, and last-minute changes to orders may cause pressure on contractors and subcontractors to meet demand and negatively impact working conditions.
<b>Instances of labour exploitation</b>	Labour exploitation has occurred in the resources sector, particularly in jurisdictions with less stringent regulatory requirements to protect the rights of workers.
<b>Recruitment agencies</b>	Recruitment agencies may charge workers, often migrant workers, recruitment or hiring fees, subjecting workers to modern slavery in the form of debt bondage.

### 4.1.1 OUR ACTIONS AND PROGRESS

In FY20 and FY21, IGO focused on assessing the modern slavery risks in our supply chain as our operations are based in Australia and our corporate office and one remote mine site are subject to stringent management practices and controls. We consider that the risk of modern slavery in our operations is low. However, we recognise that higher risks may emerge in our operations through future acquisitions and investments.

Based upon the assessment completed by the independent advisory firm in FY20, IGO developed a multi-year action plan to guide the development of our overarching modern slavery framework. We are building the framework from the ground up, which encompasses areas including risk assessment activities, risk management reviews, designing performance metrics, and data management and integration.

IGO undertakes comprehensive due diligence of our proposed joint venture partners and business partners, which includes consideration of potential human rights issues and modern slavery risks. For example, we review a range of data sources to determine if there are any issues associated with the proposed company's past or current business practices that represent a risk of any form of modern slavery.

### 4.1.2 LOOKING AHEAD

In FY22, IGO will further explore our expectations and obligations regarding modern slavery risks in our operations. We will align our operational expectations with the minimum modern slavery standards that we have been working to finalise for our supply chain (refer to section 4.5.1). We will formally incorporate the modern slavery due diligence process we conduct for our business relationships into our governance documents and ensure that we consider how to monitor changing risk profiles over time (for example, through the information subscription services described in section 4.2.4).

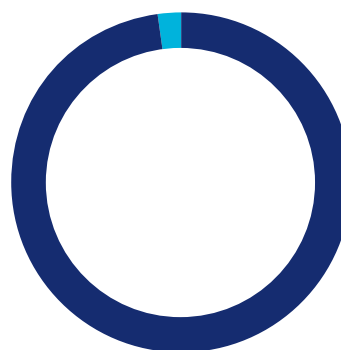


### 4.1.3 Case Study: Recruitment Agencies

IGO's total spend on labour hire in FY21 for our Corporate, Exploration, and Nova teams is \$4.8M, which represents less than two per cent of our overall spend for this period.

The majority of our labour hire spend is via three large and reputable Australian companies, with additional support to our operations provided by companies who offer specialised temporary personnel. The use of specialised temporary personnel represents a lower risk of modern slavery than lower skilled temporary labour.

IGO has undertaken work to address modern slavery risks in relation to our use of recruitment agencies. For example, we have expressly prohibited the use of recruitment fees to reduce the risk that the temporary personnel we engage will be subjected to modern slavery in the form debt bondage. Refer to section 4.4 for more information.



**\$4.8m labour hire spend is less than 2% of the overall supplier spend of \$256.1m.**

## 4.2 Supply Chain Risks

In FY21, IGO committed to continue to refine and review our assessment of modern slavery risks in our supply chain.

### 4.2.1 OUR ACTIONS AND PROGRESS

#### INITIAL RISK ASSESSMENT: METHODOLOGY

For our initial risk assessment, we conduct a desktop review of each supplier based upon **country risk** and **category risk**. To determine country risk, internationally recognised databases, indices, and reports are utilised to assess the countries in which IGO's Tier 1 Suppliers operate.<sup>2</sup> To determine industry risk, each Tier 1 Supplier is assigned a category in line with the Global Industry Classification Standard (**GICS**). There are 158 GICS sub-industry categories that consider various factors such as skill level; level of industry regulation; presence of migrant labour; and presence of opaque intermediaries. The overall inherent modern slavery risk score for each Tier 1 Supplier is calculated utilising the country risk score and the industry risk score.

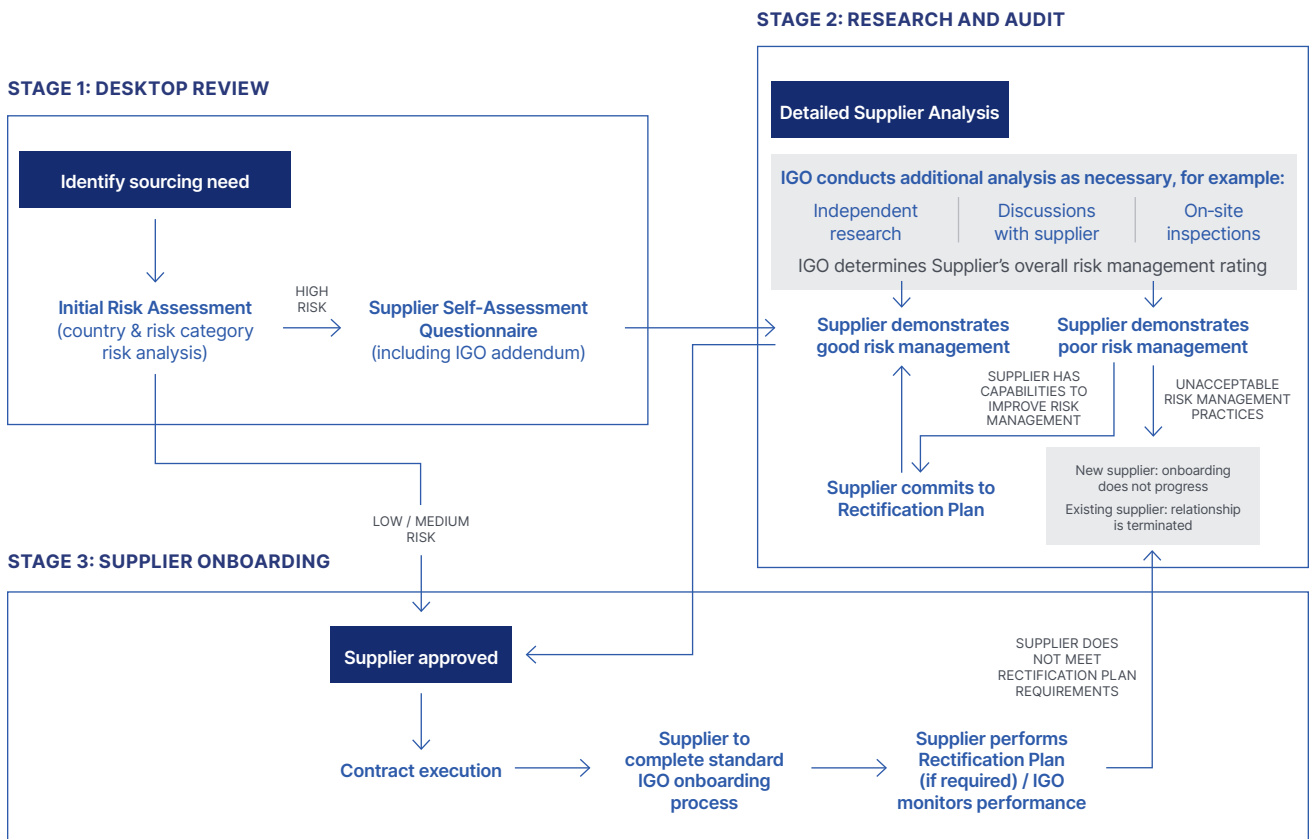
IGO implemented a process that requires our Corporate Procurement team to assign a *low*, *medium*, or *high* modern slavery risk to each proposed new supplier and for each proposed new scope. This Initial Risk Assessment must be completed prior to onboarding. The country and category risks provide an assessment of the general modern slavery risk rather than any specific form of modern slavery. If the Initial Risk Assessment determines that this risk is high, we then issue the supplier a Self-Assessment Questionnaire which seeks to clarify

the nature of the risk, including the specific form/s of modern slavery. To reduce the administrative burden on our suppliers, we elected to adopt an industry standard Self-Assessment Questionnaire that was developed by a collaborative industry working group (the Human Rights Resources and Energy Collaborative). We also developed a small addendum to capture some additional information that assists us to better understand the supplier's operations and supply chains and their modern slavery risks.

Each new sourcing process now has appropriate modern slavery evaluation criteria that must be assessed as part of the overall selection process. For example, in high-spend and / or high-risk tenders, proponents must submit a completed Self-Assessment Questionnaire and addendum. IGO will reject any proponent about which we have serious modern slavery concerns, regardless of the scoring outcomes for other assessment criteria.

For our existing suppliers, we performed a review of our higher spend suppliers to ensure that we target the suppliers that reflect our core business. While we continue to develop and mature our risk assessment and management processes, we have committed to undertake regular reviews of our existing supplier categories to ensure that we continue to focus on the highest modern slavery risks in our supply chain.

### SUPPLIER RISK ASSESSMENT PROCESS



<sup>2</sup> Resources included UNICEF (2019), Child Marriage, International Labour Organisation (ILOSTATE) (2019), Statistics on forced labour, modern slavery and human trafficking, and Walk Free Foundation (2018), and The Global Slavery Index 2018.





### FY21 Findings

IGO's Tier 1 Suppliers are located in Australia, a jurisdiction considered low risk for child labour and debt bondage for our type of operations. Only our shipping partners and an exploration partner who engages local suppliers in Greenland are headquartered overseas. Using the country and category definitions of high-risk from the Initial Risk Assessment, we determined that 18% of our suppliers were potentially high-risk, with 57% medium-risk and 25% low-risk. We further refined our assessment of suppliers that fell into the high-risk category and determined that only 20% of the high-risk suppliers required further examination. However, no information suggests that any of our Tier 1 Suppliers are engaged in any form of modern slavery.

IGO's higher-risk categories and the rationale for these classifications are set out below.

#### FY21 HIGH-RISK SUPPLIER CATEGORIES



**Consumables** may be recognised as high-risk because even if IGO's direct suppliers are located in Australia, sourcing and manufacturing of many materials often occurs in other jurisdictions with far less regulation and oversight, particularly in the extraction of raw materials used for manufacturing processes and construction. Workers may have fewer general protections and are more likely to be subject to some form of modern slavery.

**Diversified support services** require the provision of personnel for different types of on-site roles, for example in maintenance services, contract catering, accommodation, or facility management. Labour hire and other short-term contract work in this industry is high-risk due to the temporary nature of the work and the lack of visibility over the hiring process. The use of migrant workers combined with strong pressure to reduce costs may increase the risk of modern slavery, particularly in the form of forced labour and debt bondage.

**Marine shipping** is a high-risk category due to the use of complex international supply chains and contracting arrangements, and the lack of appropriate policies and procedures to manage these complexities. Modern slavery may be prevalent in the lack of general protections for workers, the payment of wages that are below industry standards, or unacceptable living and working conditions.

## 4.2.2 EVALUATION

We subjected our high-risk Tier 1 Suppliers to further analysis to ensure that we considered the specific risks present in their operations. We issued the Supplier Self-Assessment Questionnaire to obtain further information about the operations and supply chains of high-risk suppliers. Following a review of the various suppliers in the diversified support services category, IGO determined that these suppliers did not present any immediate concerns, as the scopes generally require specialised and experienced personnel to perform the labour services.

Questionnaire responses from suppliers in consumables and other categories have helped IGO to refine our understanding and expectations for our suppliers to manage modern slavery issues. We have found that there is some tension between our modern slavery obligations and our focus to procure from suppliers local to our operations, because many local suppliers do not have sophisticated operations or extensive resources.

We acknowledge that in many cases, our Tier 2 Suppliers continue to represent a greater modern slavery risk than our Tier 1 Suppliers. Most of our Tier 1 Suppliers are Australian-based distributors; however, components or base materials are often purchased from manufacturers and agents in higher-risk jurisdictions. IGO has focused our FY21 modern slavery efforts on developing a workable monitoring and evaluation system that can later be applied to Tier 2 Suppliers and further down the supply chain as necessary. For more information about the development of IGO's system, refer to section 4.5.

We work with a trusted broker to select suitable suppliers for marine shipping services, and we impose a requirement for the broker to ensure that it only engages responsible shipping providers. We continue to review and consider our approach to engaging marine shipping suppliers to ensure we adopt best practice methods.

## 4.2.3 LOOKING AHEAD

In FY22, IGO will review our Initial Risk Assessment source data to ensure a valid basis upon which our assessments of modern slavery risks are made. We will also consider whether and how to formalise a review cycle for such data and explore potential options such as subscriptions to external data points that will ensure currency of source data and effective monitoring of changing industry and country risk profiles.

We will consider further refining our risk methodology to incorporate additional elements of the UN Guiding Principles on Business and Human Rights. For example, moving beyond simply assigning a low, medium, or high risk of modern slavery, to determine whether IGO has or has the potential to cause, contribute, or be directly linked to an adverse human rights impact.

IGO believes the most effective way of eliminating modern slavery risks in our supply chains is through further collaboration, particularly with our major and high-risk suppliers. In FY22, we will continue to focus on consistent communication with and management of these suppliers. IGO will also seek to engage in greater collaboration with our peers, to better understand modern slavery risks across the mining industry and share our findings (refer to section 5.1.2).

We will collaborate with our marine shipping broker to improve our understanding of the marine shipping sector, the various parties and participants in this extended supply chain, and work to address the specific risks present in this sector.

IGO has identified that we need to invest more of our own resources to partner with local suppliers, to educate and assist these suppliers to assess risks and plan remediation actions in their own supply chains.

IGO will maintain modern slavery risk as a key selection criterion in any sourcing events that we undertake. As part of our general review process, IGO will consider how to better develop this selection criteria, particularly for industries outside our core area of influence and with which we have limited internal expertise (such as shipping and clothing).



## 4.2.4 Case Study: Grinding Media

In FY21, IGO had a major grinding media contract due for review and renewal. The contract was the first major tender process to follow the implementation of IGO's new modern slavery assessment procedures.

Any form of grinding media is used in mineral processing to crush and grind material to extract a core product. Grinding media may come in many different forms such as alumina oxide balls, ceramic cylinders, or soda lime glass. Grinding media may present higher modern slavery risks due to the countries in which the media is sourced and produced. We use grinding media in the Ball Mill and SAG Mill at our Nova Operation. Even if a supplier is an Australian-based distributor, most grinding media will be sourced from overseas factories.

As part of the evaluation criteria for the provision of this supply, IGO took into consideration:

- The country / countries from which the bidder supplies (or dispatches) the grinding media;
- The country / countries in which the product is manufactured; and
- The country / countries from which the manufacturer sources its raw materials.

In the tender evaluation, IGO attached significant weighting to bidders who could provide evidence of facilities with a lower modern slavery risk and evidence of effective modern slavery mitigation strategies. Bidders who supplied from high-risk countries and / or bidders who provided unsatisfactory evidence of effective monitoring and mitigation of modern slavery risks were not considered – regardless of any other criteria in the submission.

The successful bidder provided evidence to IGO that, in addition to maintaining ISO accreditation, it had undertaken on-site audits of its overseas factories. Evidence was sighted and reviewed by the tender evaluation team. The bidder's robust operating systems are closely managed by its experienced, key personnel. The bidder's ability to demonstrate appropriate consideration, identification, and management of its modern slavery risks was considered very favourably during IGO's supplier selection process.

## 4.3 Corporate Governance

In FY21, IGO committed to continue to review and update our key documents to reflect our modern slavery commitments.

### 4.3.1 OUR ACTIONS AND PROGRESS

Importantly, we have formally assigned executive-level and business unit responsibilities for our modern slavery activities to appropriate Legal and Corporate Procurement personnel. Our monitoring systems and processes have senior-level oversight.

IGO has made significant developments in incorporating changes to address our modern slavery obligations in our suite of corporate governance processes and documents. We are progressing these changes in accordance with the necessary consultation process and review timeframes for all our corporate governance documents. IGO currently maintains an up-to-date list of corporate documents relevant to our suppliers on our website.

IGO has specifically developed a modern slavery plan and a modern slavery procedure to capture the processes that we are utilising to assess and address modern slavery risks. We consider these as working documents, subject to continuous review and improvement as we test and refine the process with our new and existing suppliers. IGO plans to internally publish the documents in FY22.

We have reviewed and amended our Code of Conduct to emphasise our requirements relating to human rights and our commitment to take action to end modern slavery. The updated Code of Conduct will be released in FY22 along with a new Supplier Code of Conduct (refer to section 4.3.2 below).

After undertaking a review of our risk management framework, we determined that our existing framework is sufficient at present to manage our modern slavery risks, although we also subject our risk management framework to a process of continuous review in accordance with best practice.

### 4.3.2 LOOKING AHEAD

In FY22, IGO will work to develop a separate Supplier Code of Conduct to ensure we clearly communicate our expectations to our suppliers, including in relation to modern slavery issues. The Supplier Code of Conduct will ensure that our Suppliers are aware that IGO's Whistleblower service can respond to modern slavery concerns.

## 4.4 Contracting Arrangements

In FY21, IGO committed to update our contract templates with modern slavery due diligence obligations.

### 4.4.1 OUR ACTIONS AND PROGRESS

In FY21, IGO updated our suite of procurement contract standard terms and conditions to include provisions that address our modern slavery expectations and place contractually binding obligations on our suppliers. The updated contract terms are now used when engaging a new supplier. IGO will incorporate the new terms and conditions in existing contracts where appropriate during any contract renewal process.

The obligations that IGO places on our suppliers in the revised terms and conditions include:

Our suppliers must take reasonable steps to identify, assess, and address risks of modern slavery practices in the operations and supply chains used in the provision of goods or services to IGO.

Our suppliers must notify us if they become aware of modern slavery practices in their operations and supply chains used in the performance of the contract and keep us informed of the actions they undertake to remedy the issue.

Our suppliers must permit us to undertake verification activities to validate the supplier's compliance with the above requirements, including providing us with access to the supplier's premises and records as required.

Our suppliers must place similar obligations on their own suppliers.

We also updated our standard terms and conditions for labour hire companies to expressly prohibit the labour hire company from requiring any contractor personnel to pay recruitment fees and to expressly prohibit the labour hire company from destroying or exclusively holding the travel or identity documents of contractor personnel. Although IGO does not hold any specific concerns about our labour hire suppliers, these amendments reflect our commitment to addressing common modern slavery risks in relation to the engagement of temporary personnel.

IGO will generally seek to engage with our suppliers where appropriate to tackle modern slavery issues, but our revised terms and conditions now include a right for us to terminate the contract if a supplier fails to adequately manage or take reasonable action to address modern slavery issues.

### 4.4.2 LOOKING AHEAD

IGO will continue to review and revise the terms of our existing contracting arrangements on a case-by-case basis to ensure that our agreements reflect our expectations of suppliers. As we continue to mature our understanding and management of modern slavery risks, we will ensure that we maintain best practice contracting standards.

## 4.5 Performance Monitoring

In FY21, IGO committed to develop metrics to review and assess the overall effectiveness of our management of modern slavery risks.

### 4.5.1 OUR ACTIONS AND PROGRESS

IGO has been working to establish minimum modern slavery standards that define our minimum expectations of our suppliers. The process has proven more difficult than we expected, because while there are practices that we would undoubtedly not accept, the imposition of unnecessarily restrictive standards may unfairly exclude many smaller suppliers. This highlights the tension between IGO's focus on engaging local suppliers and our modern slavery commitments discussed in section 4.2.2.

IGO has commenced mapping a modern slavery monitoring and evaluation system to manage our modern slavery activities. IGO's system is designed to track compliance monitoring, including the completion of risk assessments, supplier questionnaires, and more expansive supply chain reviews.

IGO has not yet identified any specific non-conformances or corrective actions required by our suppliers, but the monitoring and evaluation system will impose appropriate response timeframes. The necessary timeframes for mitigation and remediation actions will be developed as we build our knowledge and understanding of the process and the capabilities of our suppliers.

### 4.5.2 LOOKING AHEAD

IGO will continue to build our performance evaluation and monitoring system, improve knowledge of our supplier base, and incorporate best practice elements such as periodic reviews of our overall performance with respect to our commitments, activities, and goals. In FY22, IGO will finalise the minimum modern slavery standards and continue to build our performance monitoring and evaluation system based on these standards. We will utilise this system to develop the parameters for how we evaluate the effectiveness of the actions we take in relation to modern slavery risks (refer to section 5 for more information).



### 4.5.3 Case Study: Developing an Evaluation & Monitoring System

IGO has been working to develop an overarching evaluation and monitoring system that governs our modern slavery risk assessment and risk management process. As described in section 4.5.1, we have experienced some difficulty in defining and setting minimum modern slavery standards that reflect both our core commitments and values, and the capabilities of smaller suppliers.

To review supplier responses to the questionnaire, we weighed various considerations to determine what will best provide a fair and useful process of analysis. For example, we considered a numerical scoring system for the supplier's response to each question. However, a numerical score does not necessarily reflect an appropriate consideration of risk.

IGO is currently trialling a traffic light system that is applied to indicate the risk for each response on the questionnaire:

- **Poor**
- **Fair**
- **Good**

IGO also included a purple category to indicate an extreme risk, reserved for the most serious of cases where IGO should not progress onboarding a new supplier any further without investigating the issue, or if it relates to an existing supplier, immediate action must be taken to directly address the issue with the supplier.

IGO produces a report that assigns a traffic light colour to each of the supplier's responses to flag the areas of concern. The testing of the traffic light system is an ongoing process as we build our knowledge of our suppliers and our broader supply chains. The evaluation to determine whether a supplier's response is a poor, fair, or good attempt to identify and / or address a specific modern slavery issue is made against defined criteria. However, by necessity the process includes both objective and subjective elements. For example, if IGO would expect a particular supplier in a particular industry and location to maintain a third-party audit program.



## 4.6 Training

In FY21, IGO committed to expand the delivery of modern slavery awareness training to employees and key suppliers.

### 4.6.1 OUR ACTIONS AND PROGRESS

IGO developed a concise human rights and modern slavery awareness training package that includes definitions and forms of modern slavery; provides examples of where modern slavery may arise in our supply chains; a summary of the Modern Slavery Act 2018 (Cth); IGO's obligations under the Act and the actions we have implemented and are working towards; and each individual's obligations and where to direct queries or concerns (such as our internal reporting lines and / or the IGO whistleblower service – details in section 3.4.2). We have focused training on our procurement personnel.

IGO continues to discuss general modern slavery with our key suppliers, and we are confident that we are able to build and share expertise with our suppliers.

IGO is committed to the learning and development of its internal procurement and commercial staff responsible for the management of our modern slavery commitments and obligations. We maintain a dedicated modern slavery resource who is integrated in our Corporate Procurement team.

Together, our staff have undertaken informal and professional development to ensure that IGO is better equipped to deal with modern slavery matters.

### 4.6.2 LOOKING AHEAD

IGO will continue to develop our internal training packages and deliver targeted, risk-based training to specific departments as part of our strategy to improve the understanding and assessment of modern slavery risks throughout our operations and supply chain. We will introduce compliance monitoring to ensure that we identify appropriate employees to undertake the training and record completion of relevant training modules. IGO will ask our Corporate Procurement team to assist in developing a strategy to identify appropriate suppliers and deliver a suitable version of the training module as required.



## Section 5

# Evaluating the Effectiveness of Our Actions

### 5.1.1 OUR ACTIONS AND PROGRESS

IGO adopts a continuous review and improvement approach to our management of modern slavery risks, and this extends to how we evaluate the effectiveness of our actions. For example, IGO must assess the modern slavery risk of all new suppliers throughout each financial year. The in-house modern slavery resource works with other Corporate Procurement team members to undertake regular desktop risk reviews, including an annual review of all suppliers. These processes help to ensure that we monitor and understand the changing dynamics of our suppliers and our supply chain.

In FY21, IGO began to construct a performance monitoring system (refer to section 4.5). At present the system is focused on the initial evaluation of supplier risks and how IGO manages the disclosures made by suppliers. For example, determining when further investigation or remediation actions are required. Given the varying nature of the goods and services provided to IGO, we take a unique and collaborative approach to each specific supplier, understanding that the risks for each supplier will be substantially different. As we gather more information about our supply chain, we will be better equipped to understand and assess the effectiveness of our approach to modern slavery.

We incorporate the feedback we receive directly from our external stakeholders (such as our investors) and our internal stakeholders (including employees) into our governance and risk management processes. No modern slavery issues have been raised via the IGO whistleblower service to date, but it operates as a strong mechanism for us to obtain anonymous and targeted feedback about the effectiveness of our actions. Our performance monitoring system will consider both general feedback and grievances raised via the whistleblower service. The system will be broadened to include clear qualitative and quantitative indicators that we will use to further assess the effectiveness of our actions.

### 5.1.2 LOOKING AHEAD

In FY22, IGO will expand our performance monitoring system. As discussed in section 4.2.3, we will investigate monitoring and subscription feeds that can help inform IGO of changing risks as they emerge. We will consider how best to structure the system to include elements that enable us to assess the effectiveness of our actions, such as:

- Overarching performance and assessment metrics;
- The responsibilities of specific personnel; and
- Scheduling of reviews.

IGO will endeavour to consider any KPIs in other areas of the business that may inadvertently enable modern slavery (such as prioritising lowest cost or short delivery time frames).

IGO recognises that the challenges we face in managing our modern slavery commitments are challenges that are shared by many of our peers. In FY22 we will be seeking collaboration partners that may include our peers from the resources sector, non-government organisations, community groups, and experts in the field of modern slavery. Collaboration will enable us to better understand and more objectively assess the effectiveness of our actions.

## Section 6

# Looking Beyond

IGO adopts a continuous improvement and review approach to address the evolving risks of modern slavery in all facets of our business. In FY22, we aim to achieve the following actions:



### Operational Risks

Formalise the processes we follow to perform modern slavery due diligence on our proposed business partners.



### Supplier Risk Assessment

Review and refine the Initial Risk Assessment data assessment sources.



### Performance Monitoring

Continue to build our performance monitoring and evaluation system.



### Corporate Governance

Develop a Supplier Code of Conduct to ensure our Suppliers understand our expectations and management of modern slavery.



### Training

Deliver targeted, risk-based training for departments within our business.

## Section 7

# Consultation Process

IGO's Board is the governing body for IGO Limited, but IGO entities share many of the same personnel and resources.

For example, all entities are supported by centralised shared services including our Legal, Finance, Corporate Procurement, and IT teams. All IGO Group entities are governed by the same risk management framework and governance practices. To prepare our modern slavery statement, the process of consultation involves our Board, our executives, and relevant personnel and departments embedded throughout our business.

The IGO Group includes:

- IGO Newsearch Pty Ltd;
- IGO Stockman Parent Pty Ltd;
- IGO Stockman Project Pty Ltd;
- IGO Windward Pty Ltd;
- Flinders Prospecting Pty Ltd;
- Independence Group Europe Pty Ltd<sup>1</sup>;
- IGO Nova Holdings Pty Ltd;
- IGO Nova Pty Ltd; and
- IGO Lithium Holdings Pty Ltd (formerly IGO Downstream Technologies Pty Ltd).

<sup>1</sup> Independence Group Europe AB was wholly owned by Independence Group Europe Pty Ltd until its divestment on 21 April 2021.

## Section 8

# Approval

This statement was prepared in consultation with key personnel from each entity within the IGO group and approved by IGO's Board of Directors on 18 November 2021.



**Peter Bradford**

Managing Director and  
Chief Executive Officer



